

GOLLATZ, GRIFFIN, EWING & MCCARTHY, P.C.

ATTORNEYS AT LAW

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ERIC M. HOCKY

0100032035

November 8, 1993

18463
NOV 9 1993 - 12 30 PM
INTERSTATE COMMERCE COMMISSION

Sidney L. Strickland, Secretary
Interstate Commerce Commission
12th & Constitution Avenues
Washington, DC 20423

RE: Document for Recordation

Dear Mr. Strickland:

I have enclosed the original and one counterpart of the documents described below, to be recorded pursuant to Section 11303 of Title 49 of the US Code.

The Rolling Stock Security Agreement is a primary document dated as of October 14, 1993.

The names and addresses of the parties to the documents are as follows:

Secured Party: Merrill Lynch Business Financial
Services Inc.
33 West Monroe Street
Chicago, IL 60603

Grantor/Debtor: Grainbelt Corporation
1601 West Gary Boulevard
Clinton, OK 73601

RECEIVED
OFFICE OF THE
SECRETARY
NOV 9 12 23 PM '93
LICENSING
BRANCH

A description of the equipment covered by the Security Agreement is as follows:

Three (3) EMD GP-9 locomotives bearing road numbers 3648, 3871 and 6083.

A fee of \$18.00 is enclosed. Please return the original and any extra copies not needed by the Commission to the undersigned.


Counterparty Newborthman

Sidney L. Strickland, Secretary
November 8, 1993
Page 2

A short summary of the document to appear in the index follows:

Security Agreement dated as of October 14, 1993, between Merrill Lynch Business Financial Services Inc. as secured party, 33 West Monroe Street, Chicago, IL 60603, and Grainbelt Corporation, as grantor/debtor, 1601 West Gary Boulevard, Clinton, OK 73601, covering three (3) EMD GP-9 locomotives bearing road numbers 3648, 3871 and 6083.

Respectfully,


ERIC M. HOCKY

EMH/ca
Enclosures

Interstate Commerce Commission

Washington, D.C. 20423

11/9/93

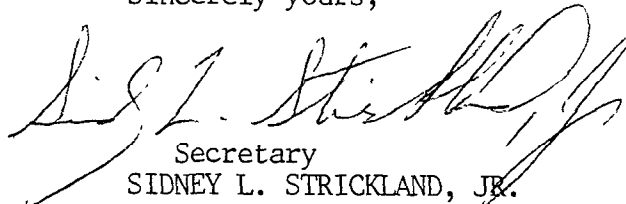
OFFICE OF THE SECRETARY

Eric M. Hocky
Goliatz, Griffin, Ewing & McCarthy, P.C.
213 West Miner Street
Post Office Box 796
West Chester, PA. 19381-0796

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on **11/9/93** at **12:30PM**, and assigned recordation number(s). **18463 and 18464.**

Sincerely yours,



Secretary
SIDNEY L. STRICKLAND, JR.

Enclosure(s)



18463
NOV 9 1993 -12 30 PM
INTERSTATE COMMERCE COMMISSION

ROLLING STOCK SECURITY AGREEMENT

BETWEEN

GRAINBELT CORPORATION

AS GRANTOR/DEBTOR

AND

MERRILL LYNCH BUSINESS FINANCIAL SERVICES INC.

AS MLBFS/SECURED PARTY

DATED AS OF October 14, 1993

Filed and recorded with the Interstate Commerce Commission pursuant to 49
U.S.C. 11303 on _____, 1993, at _____ m., Recordation No. _____

ROLLING STOCK SECURITY AGREEMENT

Rolling Stock Security Agreement ("Agreement") dated as of October 14, 1993, between **GRAINBELT CORPORATION**, a corporation organized and existing under the laws of the State of Delaware having its principal office at 1601 West Gary Blvd., Clinton, OK 73601, ("Grantor"), and **MERRILL LYNCH BUSINESS FINANCIAL SERVICES INC.**, a corporation organized and existing under the laws of the State of Delaware having its principal office at 33 West Monroe Street, Chicago, IL 60603 ("MLBFS").

In order to induce MLBFS to extend or continue to extend credit to **FARMRAIL SYSTEM, INC.** ("Customer"), under the Loan Agreement (as defined below) or otherwise, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Grantor hereby agrees with MLBFS as follows:

1 DEFINITIONS

(a) **Specific Terms.** In addition to terms defined elsewhere in this Agreement or in any exhibit or amendment hereto or document incorporated herein, when used herein, the following terms shall have the following meanings

(i) "Collateral" shall mean the locomotives and/or other rolling stock or equipment described on Exhibit A attached hereto; together with all parts thereof (including spare parts), accessories and accessions thereto and all books and records (including computer records) in any way related thereto, and all proceeds thereof.

(ii) "Collateral Location" shall mean the *Burlington Northern Railroad, including all track, buildings, sheds and storage areas ordinarily used by said railroad, land leased by Grantor from the Oklahoma Department of Transportation and other buildings, sheds and storage areas owned or leased by Grantor.*

(iii) "Loan Agreement" shall mean that certain **TERM WCMA LOAN AND SECURITY AGREEMENT No. 9309340101** between Customer and MLBFS, as the same may from time to time be or have been amended, extended or supplemented

(iv) "Obligations" shall mean all liabilities, indebtedness and other obligations of Customer or Grantor to MLBFS, howsoever created, arising or evidenced, whether now existing or hereafter arising, whether direct or indirect, absolute or contingent, due or to become due, primary or secondary or joint or several, and, without limiting the foregoing, include all present and future liabilities, indebtedness and obligations of Customer under the Loan Agreement and Grantor under this Agreement

(v) "Permitted Liens" shall mean (A) liens for current taxes not delinquent or for taxes being contested in good faith by appropriate proceedings; (B) liens arising in the ordinary course of business for sums not due, (C) liens in favor of MLBFS; and (D) liens described on any exhibit hereto or otherwise expressly permitted in writing by MLBFS.

(b) **Other Terms.** Except as otherwise defined herein, all terms used in this Agreement which are defined in the Uniform Commercial Code of Illinois ("UCC") shall have the meanings set forth in the UCC

2 COLLATERAL

(a) **Pledge of Collateral.** To secure payment and performance of the Obligations, Grantor hereby pledges, assigns, transfers and sets over to MLBFS, and grants to MLBFS a first lien and security interest in and upon all of the Collateral, subject only to Permitted Liens

(b) **Liens.** Grantor shall not create or permit to exist any lien, encumbrance or security interest upon or with respect to any Collateral now owned or hereafter acquired, except for any Permitted Liens. Grantor shall further perform any and all acts reasonably requested by MLBFS to establish, perfect, maintain and continue MLBFS' security interests and liens upon the Collateral

(c) **Performance of Obligations.** Grantor shall perform all of its obligations owing on account of or with respect to the Collateral; it being understood that nothing herein, and no action or inaction by MLBFS, under this Agreement or otherwise, shall be deemed an assumption by MLBFS of any of Grantor's said obligations.

(d) **Alterations and Maintenance.** Except upon the prior written consent of MLBFS, Grantor shall not make or permit any material alterations to any Collateral which might reduce or impair its market value or utility. Grantor shall at all times keep the Collateral in good condition and repair and shall pay or cause to be paid all obligations arising from the repair and maintenance of the Collateral, as well as all obligations with respect to the premises where any Collateral is or may be located, except for any such obligations being contested in good faith by Grantor by appropriate proceedings. Without limiting the foregoing, Customer shall, at its sole cost and expense, make all repairs and replacements to each item of Collateral as may be necessary to (A) keep and maintain such item in all respects in first-class mechanical condition and repair, and (B) comply with all applicable federal, state and local laws and other governmental requirements.

(e) **Location.** Grantor shall cause all of the Collateral to at all times be located at a Collateral Location. In no event shall Grantor cause or permit any Collateral to be removed from the United States without the express prior written consent of MLBFS.

(f) **Operation.** Grantor shall at all times during the term hereof maintain exclusive possession, control and use of the Collateral and shall completely assume all responsibility with respect thereto. Grantor shall cause any locomotives included in the Collateral to be operated only by safe, careful and licensed engineers who are employed by , and Grantor shall require each such engineer to operate such train with reasonable care and to use every reasonable precaution to prevent any loss or damage thereto from fire, theft, collision, or otherwise, and to prevent injury to persons or damage to property. Grantor shall further comply with all applicable federal and state inspection, licensing and registration requirements, and all other federal, state and local laws, regulations and other governmental requirements applicable to any Collateral or the use or operation thereof.

(g) **Insurance.** Grantor shall cause all of the Collateral to be insured under a policy or policies of physical damage insurance naming MLBFS as sole loss payee, and providing (i) that no act or omission of Grantor, any lessee or bailee or any of their respective employees or agents shall affect the obligation of the insurer to pay the full amount of any loss, and (ii) such policy or policies may not be canceled or modified without at least 30 days prior written notice to MLBFS. Grantor shall further provide and maintain a policy or policies of comprehensive public liability insurance naming MLBFS as an additional party insured. Grantor shall maintain such other insurance as may be required by law or is customarily maintained by companies in a similar business or otherwise reasonably required by MLBFS. All such insurance shall be in form and amount and with an insurer or insurers reasonably acceptable to MLBFS. Grantor shall furnish MLBFS with a copy or certificate of each such policy or policies and, prior to any expiration or cancellation, each renewal or replacement thereof.

(h) **Event of Loss.** Grantor shall at its expense promptly repair all repairable damage to any Collateral. In the event that any Collateral is damaged beyond repair, lost, totally destroyed or confiscated (an "Event of Loss"), then, on or before the first to occur of (i) 60 days after the occurrence of such Event of Loss, or (ii) 5 days after the date on which either Grantor or MLBFS shall receive any proceeds of insurance on account of such Event of Loss, or any underwriter of insurance on such Collateral disclaims liability in respect of such Event of Loss, Grantor shall, at Grantor's option, either replace the Collateral subject to such Event of Loss with comparable Collateral free of all liens other than Permitted Liens, or prepay the Obligations by an amount equal to the actual cash value of such Collateral as determined by either the insurance company's payment (plus any applicable deductible) or, in absence of insurance payment, as reasonably determined by MLBFS. Notwithstanding the foregoing, if at the time of occurrence of such Event of Loss or any time thereafter prior to replacement or prepayment, as aforesaid, an Event of Default shall occur hereunder, then MLBFS may at its sole option, exercisable at any time while such Event of Default shall be continuing, require Grantor to either replace such Collateral or prepay the Obligations, as aforesaid.

(i) **Notice of Certain Events.** Grantor shall give MLBFS immediate notice of any attachment, lien (other than a Permitted Lien), judicial process, encumbrance or claim affecting any Collateral and any material casualty to or accident involving any Collateral and involving an actual or potential claim or loss of in excess of \$25,000 00, whether or not constituting an Event of Loss.

(j) **Indemnification.** Grantor shall indemnify, defend and save MLBFS harmless from and against any and all claims, losses, costs, expenses (including, without limitation, reasonable attorneys' fees and expenses), demands, liabilities, penalties, fines and forfeitures of any nature whatsoever which may be asserted against or incurred by MLBFS arising out of or in any manner occasioned by (i) the ownership, use, operation, condition or maintenance of any Collateral, or (ii) any failure by Grantor to perform any of its obligations hereunder. This indemnity shall survive the termination of this Agreement as to all matters arising or accruing prior to such termination.

3 REPRESENTATIONS AND WARRANTIES

Grantor represents and warrants to MLBFS that (a) Grantor is a corporation, duly organized, validly existing and in good standing under the laws of the State of its incorporation; (b) the execution, delivery and performance by Grantor of this Agreement: (i) have been duly authorized by all requisite corporate action, (ii) do not and will not violate or conflict with any law or other governmental requirement, or Grantor's corporate charter or by-laws, and (iii) do not and will not breach or violate any of the provisions of, and will not result in a default by Grantor under, any other agreement, instrument or document to which it is a party or by which it is bound, (c) except as may have been given or obtained, no notice to or consent or approval of any governmental body or authority or other third party whatsoever (including, without limitation, any other creditor) is required in connection with the execution, delivery or performance by Grantor of this Agreement; (d) this Agreement is the legal, valid and binding obligation of Grantor, enforceable against it in accordance with its terms, except as enforceability may be limited by bankruptcy and other similar laws affecting the rights of creditors generally and general principles of equity, (e) except as expressly set forth in Grantor's financial statements, all financial statements of Grantor furnished to MLBFS have been prepared in conformity with generally accepted accounting principles, consistently applied, are true and correct, and fairly present the financial condition of it as at such dates and the results of its operations for the periods then ended; and since the most recent date covered by such financial statements, there has been no material adverse change in any such financial condition or operation; (f) no litigation, arbitration, administrative or governmental proceedings are pending or threatened against Grantor, which would, if adversely determined, materially and adversely affect the financial condition of Grantor, (g) all federal, state and local tax returns, reports and statements required to be filed by Grantor have been filed with the appropriate governmental agencies and all taxes due and payable by Grantor have been timely paid (except to the extent being contested in good faith by appropriate proceedings), and (h) Grantor has good and marketable title to the Collateral, and, except for Permitted Liens (i) none of the Collateral is subject to any lien, encumbrance or security interest other than the liens and security interests of MLBFS, and (ii) upon filing of this Agreement with the Interstate Commerce Commission, MLBFS will have valid and perfected first liens and security interests upon all of the Collateral. Each of the foregoing

representations and warranties are continuing and shall be deemed remade by Grantor concurrently with each advance or extension of credit by MLBFS to Customer

4. FINANCIAL AND OTHER INFORMATION

Grantor covenants and agrees that Grantor will furnish or cause to be furnished to MLBFS during the term of this Agreement such financial and other information as may be required by the Loan Agreement or any other document evidencing Customer's or Grantor's Obligations or as MLBFS may from time to time reasonably request relating to Grantor or the Collateral

5 OTHER COVENANTS

Grantor further agrees during the term of this Agreement that:

(a) **Financial Records; Inspection** Grantor will. (i) maintain complete and accurate books and records, and maintain all of its financial records in a manner consistent with the financial statements heretofore furnished to MLBFS, or prepared on such other basis as may be approved in writing by MLBFS; and (ii) permit MLBFS, upon reasonable notice and at reasonable times, to inspect its properties (both real or personal), operations, books and records.

(b) **Taxes.** Grantor will pay when due all taxes, assessments and other governmental charges, howsoever designated, and all other liabilities and obligations, except to the extent contested in good faith

(c) **Continuity** Except upon the prior written consent of MLBFS: (i) Grantor will not be a party to any merger or consolidation with, or purchase or otherwise acquire all or substantially all of the assets or any stock of, or any partnership or joint venture interest in, any person or entity, or sell, transfer or lease all or any substantial part of its assets, (ii) Grantor will preserve its existence, name and good standing in the jurisdictions of establishment and operation, and will not operate in any business other than a business substantially the same as its business as of the date of application by Customer for credit, and (iii) Grantor will not cause or permit any change in its controlling ownership, controlling senior management or principal place of business

(d) **Compliance With Laws** Grantor will not violate any law, regulation or other governmental requirement, or any judgment or order of any court or governmental agency or authority.

6. EVENTS OF DEFAULT

The occurrence of any of the following events shall constitute an "Event of Default" under this Agreement (a) an Event of Default shall occur under the terms of the Loan Agreement; or (b) Grantor shall default in the performance or observance of any covenant or agreement on its part to be performed or observed under this Agreement (not constituting an Event of Default under any other clause of this Paragraph), and such default shall continue unremedied for 5 days after written notice thereof shall have been given by MLBFS to Grantor, or (c) any representation or warranty made by Grantor contained in this Agreement shall at any time prove to have been incorrect in any material respect when made; or (d) a default or Event of Default by Grantor or Customer shall occur under the terms of any other agreement, instrument or document with or intended for the benefit of MLBFS, Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S") or any of their affiliates, and any required notice shall have been given and required passage of time shall have elapsed, or (e) the Collateral, or any material part thereof, shall be or become subject to any levy, attachment, seizure or confiscation which is not released within 10 days; or (f) MLBFS shall in good faith and with reasonable cause deem itself insecure with respect to Grantor's or Customer's obligations to MLBFS or with respect to any material part or all of the Collateral; or (g) any event occurs which results in the acceleration of the maturity of any indebtedness of \$100,000.00 or more of Grantor to another creditor under any indenture, agreement, undertaking, or otherwise

7. REMEDIES

(a) **Remedies Upon Default.** Upon the occurrence and continuance of any Event of Default: (i) MLBFS may declare all Obligations to be forthwith due and payable, whereupon all such amounts shall be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived; and (ii) MLBFS may exercise any or all of the remedies of a secured party under applicable law, including, but not limited to, the UCC, and any or all of its other rights and remedies under this Agreement; and (iii) MLBFS may require Grantor to make the Collateral and the records pertaining to the Collateral available to MLBFS at a place designated by MLBFS which is reasonably convenient or may take possession of the Collateral and the records pertaining to the Collateral without the use of any judicial process and without any prior notice to Grantor; and (iv) MLBFS may sell any or all of the Collateral at public or private sale upon such terms and conditions as MLBFS may reasonably deem proper, and MLBFS may purchase any Collateral at any such public sale; and the net proceeds of any such public or private sale and all other amounts actually collected or received by MLBFS pursuant hereto, after deducting all reasonable costs and expenses incurred at any time in the collection of the Obligations and in the protection, collection and sale of the Collateral, will be applied to the payment of the Obligations, with any remaining proceeds paid to Grantor or whoever else may be entitled thereto, and with Customer and each guarantor of Customer's obligations remaining jointly and severally liable for any amount remaining unpaid after such application.

(b) **Attorney-In-Fact.** Effective upon the occurrence and during the continuation of an Event of Default, Grantor hereby irrevocably appoints MLBFS as its Attorney-in-Fact, with full authority in its place and stead and in its name or otherwise, from time to time in MLBFS' sole discretion, to take any action and to execute any instrument which MLBFS may deem necessary or advisable to accomplish the purposes of this Agreement.

(c) **Remedies are Severable and Cumulative.** All rights and remedies of MLBFS herein are severable and cumulative and in addition to all other rights and remedies available at law or in equity, and any one or more of such rights and remedies may be exercised simultaneously or successively. Any notice required under this Agreement or under applicable law shall be deemed reasonably and properly given to Grantor if given at the address and by any of the methods of giving notice set forth in this Agreement at least 5 days before taking any action specified in such notice.

(d) **Notices.** To the fullest extent permitted by applicable law, Grantor hereby irrevocably waives and releases MLBFS of and from any and all liabilities and penalties for failure of MLBFS to comply with any statutory or other requirement imposed upon MLBFS relating to notices of sale, holding of sale or reporting of any sale, and Grantor waives all rights of redemption from any such sale. MLBFS shall have the right to postpone or adjourn any sale or other disposition of Collateral at any time without giving notice of any such postponed or adjourned date. In the event MLBFS seeks to take possession of any or all of the Collateral by court process, Grantor further irrevocably waives to the fullest extent permitted by law any bonds and any surety or security relating thereto required by any statute, court rule or otherwise as an incident to such possession, and any demand for possession prior to the commencement of any suit or action.

8. MISCELLANEOUS

(a) **Non-Waiver.** No failure or delay on the part of MLBFS in exercising any right, power or remedy pursuant to this Agreement shall operate as a waiver thereof, and no single or partial exercise of any such right, power or remedy shall preclude any other or further exercise thereof, or the exercise of any other right, power or remedy. Neither any amendment, modification, supplement, termination or waiver of any provision of this Agreement, nor any consent to any departure by Grantor therefrom, shall be effective unless the same shall be in writing and signed by MLBFS. Any waiver of any provision of this Agreement and any consent to any departure by Grantor from the terms of this Agreement shall be effective only in the specific instance and for the specific purpose for which given. No notice to or demand on Grantor shall in any case entitle Grantor to any other or further notice or demand in similar or other circumstances.

(b) **Set-Off.** MLBFS shall have the right upon the occurrence and during the continuance of an Event of Default to set-off, appropriate and apply toward payment of any of the Obligations, in such order of application as MLBFS may from time to time and at any time elect, any cash, credit, deposits, accounts, securities and any other property of Grantor which is in transit to or in the possession, custody or control of MLBFS, MLPF&S or any agent, bailee, or affiliate of MLBFS or MLPF&S. Grantor hereby grants to MLBFS a security interest in all such property as additional Collateral.

(c) **Communications.** All notices and other communications required or permitted hereunder shall be in writing, and shall be either delivered personally, mailed by postage prepaid certified mail or sent by express overnight courier or by facsimile. Such notices and communications shall be deemed to be given on the date of personal delivery, facsimile or delivery of certified mail, or one business day after delivery to an express overnight courier. Unless otherwise specified in a notice sent or delivered in accordance with the terms hereof, notices and other communications in writing shall be given to the parties hereto at their respective addresses set forth at the beginning of this Agreement, and, in the case of facsimile transmission, to the parties at their respective regular facsimile telephone number.

(d) **Costs, Expenses and Taxes.** Grantor shall pay or reimburse MLBFS upon demand for: (i) all reasonable fees and out-of-pocket expenses of MLBFS (including, but not limited to, reasonable fees and expenses of outside counsel and auditors) in connection with the administration and enforcement of this Agreement, excluding, however, salaries and expenses of MLBFS' employees; and (ii) any and all stamp, transfer and other taxes and fees payable or determined to be payable in connection with the execution, delivery and/or recording of this Agreement or any financing statement in connection herewith. If any suit or proceeding arising from any of the foregoing is brought against MLBFS, Grantor, to the extent and in the manner directed by MLBFS, shall resist and defend such suit or proceeding with counsel approved by MLBFS. The obligations of Grantor under this paragraph shall survive the expiration or termination of this Agreement and the discharge of the other Obligations.

(e) **Right to Perform Obligations.** If Grantor shall fail to do any act or thing which it has covenanted to do under this Agreement or any representation or warranty on the part of Grantor contained in this Agreement shall be breached, MLBFS may, in its sole discretion, after 5 days written notice is sent to Grantor, do the same or cause it to be done or remedy any such breach, and may expend its funds for such purpose. Any and all amounts so expended by MLBFS shall be repayable to MLBFS by Grantor upon demand, with interest at the "Interest Rate" (as that term is defined in the Loan Agreement or any document incorporated into the Loan Agreement) during the period from and including the date funds are so expended by MLBFS to the date of repayment, and any such amounts due and owing MLBFS shall be additional Obligations.

(f) **Further Assurances.** Grantor agrees to do such further acts and things and to execute and deliver to MLBFS such additional agreements, instruments and documents as MLBFS may reasonably require or deem advisable to carry into effect the purposes of this Agreement, or to confirm unto MLBFS its rights, powers and remedies under this Agreement.

(g) **Binding Effect.** This Agreement shall be binding upon, and shall inure to the benefit of MLBFS, Grantor and their respective successors and assigns.

(h) **Headings.** Captions and section and paragraph headings in this Agreement are inserted only as a matter of convenience, and shall not affect the interpretation hereof.

(i) **Governing Law.** This Agreement shall be governed in all respects by the laws of the State of Illinois.

(j) **Severability of Provisions.** Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

(k) **Term.** This Agreement shall become effective upon acceptance by MLBFS, and, subject to the terms hereof, shall continue in effect so long thereafter as either MLBFS shall be committed to advance funds or extend credit to Customer or there shall be any Obligations outstanding

(l) **Integration.** *THIS WRITTEN AGREEMENT CONSTITUTES THE ENTIRE UNDERSTANDING AND REPRESENTS THE FULL AND FINAL AGREEMENT BETWEEN THE PARTIES WITH RESPECT TO THE SUBJECT MATTER HEREOF, AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR WRITTEN AGREEMENTS OR PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.*

(m) **Jurisdiction; Waiver.** GRANTOR ACKNOWLEDGES THAT THIS AGREEMENT IS BEING ACCEPTED BY MLBFS IN PARTIAL CONSIDERATION OF MLBFS' RIGHT AND OPTION, IN ITS SOLE DISCRETION, TO ENFORCE THIS AGREEMENT IN EITHER THE STATE OF ILLINOIS OR IN ANY OTHER JURISDICTION WHERE GRANTOR OR ANY COLLATERAL FOR THE OBLIGATIONS MAY BE LOCATED. IF SO ELECTED BY MLBFS, GRANTOR CONSENTS TO JURISDICTION IN THE STATE OF ILLINOIS AND VENUE IN ANY STATE OR FEDERAL COURT IN THE COUNTY OF COOK FOR SUCH PURPOSES, AND GRANTOR WAIVES ANY AND ALL RIGHTS TO CONTEST SAID JURISDICTION AND VENUE. GRANTOR WAIVES ANY RIGHTS TO COMMENCE ANY ACTION AGAINST MLBFS IN ANY JURISDICTION EXCEPT IN THE COUNTY OF COOK AND STATE OF ILLINOIS. MLBFS AND GRANTOR HEREBY EACH EXPRESSLY WAIVE ANY AND ALL RIGHTS TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THE PARTIES AGAINST THE OTHER PARTY WITH RESPECT TO ANY MATTER WHATSOEVER RELATING TO, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE LOAN AGREEMENT, THIS AGREEMENT AND/OR ANY OF THE TRANSACTIONS WHICH ARE THE SUBJECT OF THE LOAN AGREEMENT OR THIS AGREEMENT.

IN WITNESS WHEREOF, this Agreement has been executed as of the day and year first above written

GRAINBELT CORPORATION

By: *George C. Betke, Jr.* *Richard S. Shaw*
Signature (1) Signature (2)

George C. Betke, Jr. RICHARD S. SHAW
Printed Name Printed Name

Chief Executive Officer C.O.O. and SECRETARY
Title Title

Accepted at Chicago, Illinois.
MERRILL LYNCH BUSINESS FINANCIAL
SERVICES INC.

By: *M. W. Helfert* SVP

EXHIBIT A

ATTACHED TO AND HEREBY MADE A PART OF ROLLING STOCK SECURITY AGREEMENT NO. 9309340101 BETWEEN MERRILL LYNCH BUSINESS FINANCIAL SERVICES INC. AND GRAINBELT CORPORATION.

DESCRIPTION OF ROLLING STOCK INCLUDED IN THE COLLATERAL:

<u>LOCOMOTIVE</u> <u>NAME</u>	<u>ROAD</u> <u>NUMBER</u>	<u>MAKE</u>	<u>MODEL</u>	<u>YEAR</u>	<u>BUILDER'S</u> <u>NUMBER</u>
CHEROKEE	3648	EMD	GP-9	1959	25017
CHEYENNE	3871	EMD	GP-9	1959	25018
OSAGE	6083	EMD	GP-9	1956	21720

STATE OF Oklahoma }
COUNT OF Custer } ss

The foregoing instrument was acknowledged before me this 21 day of October, 1993 by George C. Betke, Jr. and Richard S. Shaw, as officers of Grainbelt Corporation, a corporation organized and existing under the laws of the State of Delaware, on behalf of said corporation

Judy Petry
Notary Public

(NOTARIAL SEAL)

My Commission expires. Nov. 5, 1995

STATE OF ILLINOIS }
COUNT OF COOK } ss

The foregoing instrument was acknowledged before me this 1st day of Nov., 1993 by M. W. Helfand, as Sr. V. P. of Merrill Lynch Business Financial Services Inc, a corporation organized and existing under the laws of the State of Delaware, on behalf of said corporation.

Beth A Jensen
Notary Public

(NOTARIAL SEAL)

My Commission expires: _____

